

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U338E) for Approval of its 2012-2014 California Alternate Rates for Energy (CARE) and Energy Savings Assistance Programs and Budgets.

Application 11-05-017
(Filed May 16, 2011)

And Related Matters.

Application 11-05-018
Application 11-05-019
Application 11-05-020

**DECISION GRANTING COMPENSATION TO THE ASSOCIATION OF CALIFORNIA
COMMUNITY AND ENERGY SERVICES FOR SUBSTANTIAL CONTRIBUTION
TO DECISION 12-08-044**

Claimant: Association of California Community and Energy Services (ACCES)	For contribution to Decision (D.) 12-08-044
Claimed (\$): \$132,050	Awarded (\$): \$99,340 (reduced 24.8%)
Assigned Commissioner: Catherine J. K. Sandoval	Assigned Administrative Law Judge (ALJ): Kimberly H. Kim

PART I: PROCEDURAL ISSUES

- A. Brief Description of Decision:** D.12-08-044 approved approximately \$5 billion for two energy-related low income programs, the Energy Savings Assistance (ESA) and the California Alternate Rates for Energy (CARE) Programs, for the 2012-2014 program cycle.

B. Claimant must satisfy intervenor compensation requirements set forth in Pub. Util. Code §§ 1801-1812:

	As Stated by Claimant	CPUC Verified
Timely filing of notice of intent to claim (NOI) compensation (§ 1804(a)):		
1. Date of Prehearing Conference (PHC):	August 8, 2011	PHCs held on August 8 and September 6, 2011.
2. Other Specified Date for NOI:		
3. Date NOI Filed:	September 6, 2011	Correct
4. Was the NOI timely filed?		Yes.
Showing of customer or customer-related status (§ 1802(b)):		
5. Based on ALJ ruling issued in proceeding number:	Application (A.) 11-05-017 et al.	Correct
6. Date of ALJ ruling:	October 20, 2011	Correct
7. Based on another CPUC determination:		
8. Has the claimant demonstrated customer or customer-related status?		Yes. See Part I.C below.
Showing of “significant financial hardship” (§ 1802(g)):		
9. Based on ALJ ruling issued in proceeding number:	A.11-05-017 et al.	Correct
10. Date of ALJ ruling:	October 20, 2011	Correct
11. Based on another CPUC determination:		
12. Has the Claimant demonstrated significant financial hardship?		Yes. See Part I.C below.
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	D.12-08-044	Correct
14. Date of Issuance of Final Decision:	August 30, 2012	Correct
15. File date of compensation request:	November 5, 2012	See Part I.C below.
16. Was the request for compensation timely?		Yes. See Part I.C below.

C. Additional Comments on Part I:

#	Claimant	CPUC	Comment
12	X		To avoid duplication of effort James Hodges represented TELACU, Maravilla, and ACCES (TELACU et al.) in A.11-05-017 et al. Only ACCES has filed an NOI and no claims are made for TELACU or Maravilla.
15	X		On 11/2/2012 ALJ Kim e-mailed parties: “Attention All Parties, Docket office and Central file: Requests by Green for All and The Association of California Community and Energy Services (ACCES) to late file their respective intervenor’s compensation claims are approved. Docket is instructed to file their intervenor’s compensation claims.”
8 12		X	The ALJ ruling dated October 20, 2011, determined that ACCES had demonstrated (1) customer or customer-related status, and (2) significant financial hardship.
15 16		X	ACCES’s claim was filed on November 5, 2012. Rule 17.3 of the Commission’s Rules of Practice and Procedure provides that a request for an award of compensation must be filed no later than 60 days after the issuance of a decision closing the proceeding. Here, the proceeding remains open (i.e., there has not been a decision closing the proceeding). Consequently, there is no deadline at this time to file claims. With no deadline, the claim is timely.

PART II: SUBSTANTIAL CONTRIBUTION**A. Claimant’s description of its contribution to the final decision (see § 1802(i), § 1803(a) & D.98-04-059):**

Contribution	Citation to Decision or Record (Provided by Claimant)	Showing Accepted by CPUC
ACCES (TELACU et al.) has contributed, through its Protest, its Prehearing Conference Statements, the October 2011 Workshops, Opening and Reply Testimony, Answers to two sets of ALJ Questions, Opening and Reply Briefs, Opening and Reply Comments on the Proposed Decision, and Comments at the All Party Meeting, to the Commission’s understanding of a large number of issues in this proceeding: 1. Policy evolution (History) of the program (as per March 30, 2011	As listed below, some of the contributions of ACCES (TELACU et al.) have been accepted by the Commission, others have been rejected and still others, the Commission agrees, are in need of further examination. In all cases, ACCES (TELACU et al.) framed and highlighted significant issues, providing important information which helped shape the debate about how the ESAP program should move forward. Because the Amended Scoping	Accepted

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<p>Guidance Ruling) which provided an understanding of how Commission and legislative decisions over decades have resulted in a growing tension between ESAP's current resource goals which appear to be overwhelming the program's original equity goals;</p> <p>2. Cost Effectiveness Methodology, showing that the Commission's cost effectiveness requirements affect almost every aspect of the low income program, including which measures may be installed, the number, type, and location of homes which may be served, the number and type of jobs created, workforce education and training to install the measures, the type of marketing, education, and outreach programs required, required funding levels, the level of energy benefits and types of Non Energy Benefits for low income ratepayers (includes analysis of the Impact Evaluation Report). That review and analysis led to a consensus among parties that current ESAP cost effectiveness methodology needs to be revisited and modified in order for the Commission to be able to reach Strategic Plan goals including:</p> <p>3. Workforce Education and Training (and review of Workforce Needs Assessment Report and bidding);</p> <p>4. Program Design and Delivery (including ORA's Tangible Bill Savers proposal, and tablets);</p> <p>5. IDSM and energy education for the low income community;</p> <p>6. Program measures: new, retained, retired, the 3 Measure Minimum;</p> <p>7. High Efficiency Forced Air Unit Pilot Project;</p>	<p>Ruling of January 26, 2012 informed parties that the Decision would not resolve cost effectiveness and multifamily issues, ACCES (TELACU et al.) did not address those issues in our Opening Brief, though we did Reply on those issues as other parties addressed those issues in their Opening Briefs. We also addressed them in our Opening and Reply Comments on the PD and at the All Party Meeting.</p> <p>The vigorous exchanges between ACCES (TELACU et al.) and other parties helped to create a record which allowed the Commission to produce a thoughtful, well-reasoned decision which, while implementing immediate program improvements, supports the gathering of further information through Working Groups for future program modifications and improvements. Thus, our participation and input constitutes a substantial contribution to the record of this proceeding and its final decision.</p>	

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<p>8. SoCalGas proposal to replace current community outreach and assessment workers with SoCalGas employees;</p> <p>9. Low Income Solar issues</p> <p>10. Numerous Multifamily (MF) issues including: MF segment is underserved; the need for more MF segment data; barriers to MF segment penetration; single point of coordination; Whole House Approach; a MF Pilot Proposal; the shortcomings of proposed “carve outs” for assisted housing; the shortcomings of “expedited enrollment” as proposed.</p> <p>11. General (Bridge Funding, Rulings)</p>		
<p>1. History of the evolution of the program (as per March 30, 2011 Guidance Ruling) which provided an understanding of how Commission and legislative decisions have resulted in a growing tension between ESAP’s current resource goals which appear to be overwhelming the program’s original equity goals;</p>	<p>1. Claimant’s Presentation</p> <p>A) “Discussion Paper: Why the Energy Savings Assistance Program Will Likely Fail to Achieve Strategic Plan Goal Results and What the Commission Can Do To Correct This Matter.” October 14, 2011, at 2-10. Presented to parties for Workshops 1 and 2 in October 2011.</p> <p>B) Testimony of James Hodges, November 18, 2011, at 3-21.</p> <p>Final Decision 12-08-044</p> <p>Discussion</p> <p>"The ESA Program has a 20-year history and began as pure equity program (direct assistance programs). Over time, the Commission introduced in the ESA Program the resource emphasis with the goal of achieving energy savings." at 72.</p> <p>"This ESA Program directional evolution now brings us to the current program with dual purposes/objectives of energy savings and equity factors." at 73</p> <p>Finding of Fact 6. "The parties to</p>	Accepted

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	<p>the proceeding contributed thoroughly and meaningfully through testimonies, comments and other filings to help advise the Commission and the Utilities on ways to achieve our ultimate vision such that (a) the ESA Program effectively evolves into a resource program that garners significant energy savings in our state, as envisioned in the Strategic Plan, while providing an improved quality of life for California's low income population;"</p> <p>Concurring Comments of Commissioner Ferron: "I think that there are some conflicting guiding principles at play here. The Commission needs to ask itself if the main goal of the ESA program is A) to improve health, comfort and safety; B) to provide cost-effective energy efficiency savings; or C) to lower customers' bills beyond the CARE rate subsidy. While obviously we can have a program with multiple objectives, it is time to take a harder look at what we want from the Energy Savings Assistance Program and make certain that the program design aligns with our priorities." at 3, Concurring Comments of Commissioner Ferron.</p>	
2. Cost Effectiveness Methodology	<p>2. Claimant's Presentation</p> <p>A)"The effect of the Commission's cost effectiveness tests on the program's ability to reach the Commission's ambitious goals, especially multifamily goals."...</p> <p>"Though cost effectiveness results are not the only factor considered when the Commission decides which measures are allowed or disallowed to be installed in the ESAP, it carries the most weight." Pp. 3,4, Protest of TELACU et al. June 17, 2011</p>	Accepted

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	<p>B) “Policy Conflicts Between Cost-Effectiveness and Program Goals. Several of the utilities appear to have been using the 2009 cost-effectiveness analysis to screen out or de-emphasize various program elements.” “SoCal Gas expects the contractors to experience additional challenges and obstacles in meeting 2012-2014 program goals due to the measures that have failed cost effective tests in some or all dwelling types and climate zones.” at 6,7 Protest.</p> <p>C) “OP 17 of D.08-11-031 set explicit cost-effectiveness requirements at the measure level and by climate zone to determine which measures are included or excluded from the Commission’s low income program. Individual measures that do not reach the .25 benefit/cost ratio are dropped (“retired”) from the program. This cost effectiveness methodology is intended to maintain or increase ESAP’s cost effectiveness but, according to the Impact Evaluation Final Report, has failed to do so. According to the Impact Evaluation Report ESAP has become less cost effective over the past years.” at 15, Testimony of James Hodges.</p> <p>D) Though the Commission ultimately embraced the Impact Evaluation Report, our Protest and Testimony raised questions about the accuracy of ECONorthwest’s Impact Evaluation Report. “ECONorthwest’s response went from one extreme (excluding legitimate large users) to the other (screening out almost no one by using consumption levels that were so high that they are extremely likely to have included</p>	

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	<p>bad data or master metered customers who skewed the results). A regression analysis is extremely sensitive to outliers. Bad data yield bad results, regardless of whether legitimate large users are excluded or skewed data are included.”</p> <p>D) In response (1/23/2012) to questions from ALJ Kim, we agreed a Cost Effectiveness Working Group would be useful. at. 8</p> <p>Final Decision 12-08-044</p> <p>Findings of Fact</p> <p>60. Leading to and since D.08-11-031, the parties have consistently questioned this measure based evaluation approach as well as the ESA Program’s overall cost-effectiveness framework and have raised concerns that the Commission reexamine them.</p> <p>63. Most parties, in their responses, restated that the cost-effectiveness framework currently used to evaluate ESA Program measures needs to be revisited.</p> <p>148. The final 2009 Impact Evaluation also clearly sets forth detailed explanations for the lower saving results relative to the 2005 Impact Evaluation to which many parties have objected.</p> <p>149. In all, we find the 2009 Impact Evaluation results to be generally sound, given the parameters and scope of the work.</p> <p>150. We do agree with many of the parties that a more robust evaluation may be beneficial and that another impact evaluation should be conducted during the 2012-2014 cycle.</p> <p>Conclusions of Law</p> <p>70. A working group, to be led by</p>	

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	<p>the Commission’s Energy Division, should be formed to fully explore the current ESA Program’s cost-effectiveness framework in depth toward formulating a cost-effectiveness framework that properly balances and recognizes the ESA Program as both a resource and an equity program.</p> <p>71. We find the working group approach reasonable and sound, and the Energy Division should promptly allocate resources toward convening this ESA Program Cost-effectiveness Working Group.</p>	
<p>3. Workforce Education and Training (and review of Workforce Needs Assessment Report and bidding);</p>	<p>3. Claimant’s Presentation</p> <p>A) “The decision to allow or disallow certain measures has a direct effect on the number and type of units that are eligible to be served in various climate zones of California and has a ripple effect in many areas, including Workforce Hiring, Training, and Education, by determining the number of workers to be hired to deliver program services, the type of services workers are trained to deliver, and the pay scale for those workers hired.</p> <p>Moreover, given the Commission’s current cost effectiveness requirements, the Commission’s Strategic Plan Goal to deliver “increasingly cost-effective and longer-term savings,” may be in conflict with Commission’s ambitious unit goals and the Strategic Plan Strategy to “Promote the growth of a trained Energy Savings Assistance Program workforce.”</p> <p>Protest, at 4.</p> <p>B) “It has now become clear that when program measures are excluded from ESAP due to the methodology established in Ordering Paragraph (OP) 17, a cascade of consequences</p>	<p>Accepted</p>

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	<p>begins, with homes failing to meet the 3 measure minimum and/or the minimum savings requirement and are, thus, denied eligibility. As homes are rejected, the demand for trained workers is reduced, which also reduces long term energy savings, effectively setting the groundwork for a failure to reach Strategic Plan goal results.” Testimony of James Hodges, at 16</p> <p>C) We pointed out serious errors in the “California Workforce Assessment Report.” “But the Report makes fundamentally mistaken assessments of the PUC and federal low income programs and, therefore, makes fundamentally mistaken recommendations for restructuring and improving the programs. The Report paints with an overly broad brush, describing problems which may exist in the non-low income market but which do not exist in the heavily regulated low income programs.” Hodges Testimony, at. 30.</p> <p>Final Decision 12-08-044 Finding of Fact</p> <p>90. While a few anecdotal accounts of contractor performance issues were raised by some parties and the 2009 Process Evaluation Report, we acknowledge that there is not enough evidence to suggest there to be a program-wide performance concern or that ESA Program delivery by the IOUs and contractors fall below any performance standard.</p> <p>91. There was no evidence in the record to suggest that the IOUs and the contractors are violating health, safety, labor or wage laws to begin directing they comply with such existing laws.</p> <p>93. To know the state of the current</p>	

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	<p>workforce, the needs of that workforce and the quality of their performance in the ESA Program is just the beginning of effectively managing the program workforce, the needs of that workforce, and the quality of the products being produced by that workforce.</p> <p>94. The record of this proceeding reflects the limited information and data currently being collected and reviewed and analyzed to understand the present reality of the ESA Program workforce.</p>	
<p>4. Program Design and Delivery (including ORA's Tangible Bill Savers proposal, and tablets);</p>	<p>Claimant's Presentation</p> <p>"ORA's [Tangible Bill Savers] recommendations would effectively dismantle the current program, turning it into an appliance delivery service. ORA recognizes the fact that its proposal is a job killer:</p> <p>"...weatherization jobs will be lost, for a probable net job loss when applied to all four utilities." Instead, "ORA's recommendation should lead to more jobs in refrigerator installation," a type of work which is a low wage, low skill, low road job with no upward path as envisioned in Strategic Plan." TELACU et al. Reply Brief, at 2.</p> <p>Final Decision 12-08-044</p> <p>Finding of Fact</p> <p>12. As a mature and largely successful program, it is imprudent to make whole-sale changes to the ESA Program, unless proposed changes are likely to yield significantly more benefits and the costs associated with those same changes are outweighed by the benefits to be attained.</p> <p>54. ORA's proposal to overhaul the current ESA Program design and delivery model is not justified. Though rejecting our</p>	<p>Accepted</p>

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	<p>recommendation, our position assured a thorough evaluation of the issue of Tablets:</p> <p>Conclusions of Law</p> <p>140. As is the case with other tools needed to deliver program services, the responsibility to provide tools to service provider employees to perform their jobs should remain with the service provider.</p> <p>141. The funding for PC tablets should remain as it is and be assumed as part of the contractors' expenses.</p> <p>142. The PC Tablet proposal is not justified and should be denied.</p>	
<p>5. IDSM and energy education for the low income community;</p>	<p>Claimant's Presentation</p> <p>A) In answer to ALJ Kim's written questions, January 23, 2012, at 4:</p> <p><i>g. Could existing or new Demand Response programs be coordinated with ESA Program so as to provide information to customers in a unified fashion? If so, how?</i></p> <p>If the marketing effort includes DR education on a personal level and low-income customers had a better understanding of DR there would be greater participation. To date little if any effort has been focused on providing low-income, hard-to-reach, non-technical ratepayers with appropriate information that would help them understand the concept and then stimulate the enrollment in a customized DR program, should one be developed, that targeted the needs of low-income households, especially the elderly. The ESA Program is in the best position to provide enhanced energy education demand response (EE/DR) to these households.</p> <p>B) 12. All income eligible customers should be eligible to receive energy education and CFL's regardless of</p>	<p>Accepted</p>

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	<p>the 3 measure minimum requirement.</p> <p>C) “Opower’s proposed Home Energy Report “tailored” for low income customers is nearly identical to the report issued to all customer classes, including low income customers, and varies only by the utility assistance programs featured at the bottom of the report. With the sizeable current population of residential customers, including low income customers, receiving nearly identical Home Energy Reports from Opower, a sufficient sample of low income customers exists and should be analyzed rather than commissioning a duplicative pilot at additional cost to the utilities’ low income programs.</p> <p>The target segment is characterized by lower average energy consumption and higher energy costs relative to household income. This segment is strongly motivated by face-to-face education and personalized contact. Testimony from San Francisco Community Power also identifies tangible disincentives to behavioral change: the lack of access to capital, the subsidization of inefficient practices, and split incentives. Opower’s standard approach driven by normative comparison works for better-resourced demographics, but may not be as effective in the low income segment as approaches which recognize the known characteristics mentioned above. A worthwhile low income behavioral pilot would evaluate Opower’s approach alongside alternate messaging approaches to determine the most effective approach.” Reply Testimony, TELACU et al. at 7-9.</p>	

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	<p>Final Decision 12-08-044</p> <p>Discussion</p> <p>For instance, TELACU et al. point out that many low income customers in particular do not understand the concept of demand response and therefore many of them are not participating in the programs such as the air conditioner cycling program because, “[t]o date little if any effort has been focused on providing low income, hard-to-reach, non-technical ratepayers with appropriate information” on the program. at 39</p> <p>TELACU et al. make an excellent point that some low income customers may not understand the concept of demand response, and that could prove to be a notable barrier for success of the integration effort for the low income communities at 40</p> <p>Conclusions of Law</p> <p>77. “We should deny... TELACU’s proposal to eliminate the modified 3MM Rule altogether and allow all income eligible customers to receive energy education and CFLs regardless of the modified 3MM Rule requirement.”</p> <p>139. Opower, Inc.’s proposal for a pilot program, the Home Energy Report Pilot, is not timely and should be denied.</p>	

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6. Program measures: new, retained, retired, the 3 Measure Minimum;	<p>Claimant’s Presentation</p> <p>The Testimony of James Hodges addressed Program Measures and made recommendations (at 21):</p> <p>3. The Commission should move ESAP toward the policy of “deep savings” described in Rulemaking 09-11-014.</p> <p>7. The Three Measure Minimum requirement should be eliminated.</p> <p>8. The new measures proposed by the Investor-owned Utilities (IOUs) should be approved.</p> <p>9. The “add back” measures requested by the IOUs should be approved.</p> <p>11. None of the measures proposed by IOUs for retirement should be approved for retirement.</p> <p>Final Decision 12-08-044</p> <p>The Commission rejected the recommendation to eliminate the Three Measure Minimum, but agreed that some measures should be “added back” and others not to be retired. (see OP 39 through 52).</p>	Accepted
7. High Efficiency Forced Air Unit (HEFAU) Pilot Project;	<p>Claimant’s Presentation</p> <p>Prehearing Conference Statement, 8/1/2011, at 7,</p> <p>Based on the results of the [HEFAU] pilot, SCG concluded, “it appears that positive results can be expected for both therm savings and cost effectiveness.” Despite this positive result, SCG declined to propose to add the measure to ESAP.</p> <p>“The Joint CBOs believe the following issue should be added to the list of issues within the scope of this proceeding:</p> <p><i>Whether the Commission should review SCG’s decision to not recommend that the High Efficiency</i></p>	Accepted

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	<p><i>Forced Air Unit replacement be added to the Energy Savings Assistance Program furnace repair and replacement measure.</i>”</p> <p>“Upon such a review, the Joint CBOs will show that the current installed costs of the newer and more energy efficient (95 AFUE) forced air units are no higher than the installed costs of the 92 AFUE used in the pilots. This means therm savings and positive cost effectiveness even greater than the positive results of the pilot.”</p> <p>Final Decision 12-08-044 Ordering Paragraph</p> <p>61. Within 60 days after this decision is issued, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall file (a) the cost-effectiveness values for the high efficiency forced air unit measure for each of the different housing types and climate zones that they cover, to see if they pass the Cost-effectiveness Test, and (b) an estimate for the costs, energy savings values, as well as the projected quantity (by housing type and climate zone) of this measure to be installed for each program year.</p>	
8. SoCalGas proposal to replace current community outreach and assessment workers with SoCalGas employees;	<p>Claimant’s Presentation Prehearing Conference Statement, 8/1/2011, at 8,</p> <p>Additional issue: 18. Whether the Commission should approve the proposal of Southern California Gas Company to replace current community outreach and assessment workers with SCG employees, a proposal which creates no new jobs but replaces community based workers with higher paid utility employees.</p>	Accepted

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	<p>The company's application provided very little information on this proposal.¹² The Commission should closely examine the proposed costs, including, job loss in low income communities, logistical problems coordinating with the SCE program, higher wages promised by SCG to be paid to SCG employees for the same work performed by existing contractors, its effect on community based workforce, its effect of cost-effectiveness.</p> <p>Final Decision 12-08-044 Conclusion of Law</p> <p>166. The SoCalGas' request for an additional \$3.1 million for [meter] reader reassignment via the ESA Program will not increase the ESA Program's cost-per-enrollment and is therefore reasonable and should be approved</p>	
9. Low Income Solar issues;	<p>Claimant's Presentation</p> <p>In our January 23, 2012 response to ALJ Kim's 2nd set of Questions concerning coordination of the Commission's low income solar programs (MASH and SASH) with ESAP, we researched and wrote:</p> <p>"But there are problems in the current low income components of the California Solar Initiative (CSI) SASH and Thermal Programs. Several of these problems are described in a Protest (attached) recently delivered to the Commission by TELACU et. al. First, briefly, the current SASH program appears to be failing to reach goal. D.07-11-045, Appendix A, at 8, established Milestones and Evaluation Criteria for the low income Single Family Solar Affordable Homes program."</p> <p>"Next, the recently issued CSI Thermal Solar Handbook contains</p>	Accepted

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	<p>errors and misinterpretations which must be corrected before any coordination with ESAP.</p> <p>We urge the Commission to conduct workshops on the issue of improving the existing CSI low income programs and to smoothly integrate them into ESAP.”</p> <p>Final Decision 12-08-044</p> <p>The Final Decision did not address the low income solar issues.</p>	
<p>10. Multifamily (MF) issues including: MF segment is underserved; the need for more MF segment data; barriers to MF segment penetration; single point of coordination; Whole House Approach; a MF Pilot Proposal; the shortcomings of proposed “carve outs” for assisted housing; the shortcomings of “expedited enrollment” as proposed.</p>	<p>Claimant’s Presentation</p> <p>ACCES (TELACU et al.) addressed MF issues throughout the proceeding including its Protest, its Prehearing Conference Statements, the October 2011 Workshops, Opening and Reply Testimony, Answers to ALJ Questions, Opening and Reply Briefs, Opening and Reply Comments on the Proposed Decision, and Comments at the All Party Meeting. In those venues we recommended the collection of more current and detailed data concerning the MF segment (see, for example, our Prehearing Conference Statement, at 4, 5; our Opening Testimony, at 36, 37). We researched, prepared and presented a thirty one page MF Pilot Project Proposal which included data collection, identifying and overcoming barriers, coordination with existing programs such as EUC/MIDI/MFEER, a single point of coordination, and a Whole House Approach.</p> <p>We argued that further information should be gathered and analyzed before approving special efforts to serve the owner/developers of MF Assisted Housing and Expedited Enrollment.</p> <p>Final Decision 12-08-044</p>	<p>Accepted</p>

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	The Final Decision denied our MF Proposal but agreed that more information should be collected and ordered eight immediate MF Segment Strategies (OP 70) including Single Point of Contact (which we called Single Point of Coordination), and EUC/MIDI/MFEER Coordination. The Final Decision declined to enact special efforts to serve the owner/developers of MF Assisted Housing and Expedited Enrollment at this time as requested by some parties. Instead, consistent with our recommendations, OPs 71-79 set into place a process to gather and analyze in-depth information on the MF segment.	

B. Duplication of Effort (§§ 1801.3(f) & 1802.5):

	Claimant	CPUC Verified
a. Was the Office of Ratepayer Advocates (ORA)¹ a party to the proceeding?	Yes	Yes
b. Were there other parties to the proceeding with positions similar to the claimant's?	Yes	Yes
c. Names of other parties (if applicable): As described above, ACCES (TELACU et al.) addressed many issues and parties agreed with some of those positions and disagreed with others. For example, TELACU et al. and NCLC/CHPC/NHLP (and other parties), took the position that the low income MF market is underserved, supported a “whole house” approach, supported a “single point of coordination” (or “contact”), agreed there are barriers to MF segment penetration but had differences about what those barriers are and how to overcome them. As another example, on the issues of Workforce Education and Training, Green for All agreed with some portions of our testimony and disagreed with other portions. In general many parties, including the four IOUs agreed with some of our positions and disagreed with others. These parties include Natural Resources Defense Council, Southern California Gas Company, San Diego Gas & Electric Company, Southern California Edison Company, National Asian American Coalition, The Utility Reform Network, Pacific Gas		Yes

¹ The Division of Ratepayer Advocates was renamed the Office of Ratepayer Advocates effective September 26, 2013, pursuant to Senate Bill No. 96 (Budget Act of 2013: public resources), which was approved by the Governor on September 26, 2013.

	Claimant	CPUC Verified
and Electric Company, Opower Inc., Synergy Companies, Green for All, Brightline Defense Project, The Greenlining Institute, The Energy Efficiency Council, National Consumer Law Center, Proteus, National Housing Law Project, California Housing Partnership Corp., La Cooperativa Campesina de California.		
<p>d. Claimant's description of how Claimant coordinated with ORA and other parties to avoid duplication or of how Claimant's participation supplemented, complemented, or contributed to that of another party:</p> <p>Our Prehearing Conference Statement contained a letter to Assigned Commissioner Simon signed by representatives of ORA, Pacific Energy Policy Center, Greenlining, NRDC, TURN, Reliable Energy, ACCES, Maravilla Foundation, TELACU, Southern California Forum, and the United Workers Union of America, requesting the adoption of a timely schedule. We continued to coordinate with parties, including ORA, TURN, NRDC, and others, in preparation and execution of the series of October 2011 Workshops and as we prepared our Opening Testimony.</p> <p>We must say there was a remarkable sense of cooperation at the beginning stages of the proceeding, especially during the workshops. But as Opening and Reply Testimony began to reveal substantial differences in positions taken on the issues, the frequency and tone of the communication between some parties began to change. By the time of the Opening and Reply Comments on the Proposed Decision and the All Party Meeting, certain parties were clearly at odds and as a result, there was less coordination. (We mention this to be realistic and to hope, with upcoming Working Groups, we can strive to regain that sense of cooperation parties experienced at the beginning of this proceeding).</p> <p>Concerning our Multifamily Pilot proposal ACCES, as directed by ALJ Ruling Re Pilot Proposals (November 9, 2011), communicated with the IOUs and other parties to preview and vet our pilot ideas with experienced parties. ACCES, TELACU and Maravilla Foundation, to avoid duplication of input, acted as joint parties in this proceeding. Nevertheless, in a proceeding involving multiple participants it is almost impossible to completely avoid some duplication of the work of other parties. ACCES took all reasonable steps to keep such duplication to a minimum and when it did happen, our work served to complement and assist the showings of other parties (for example, the Energy Efficiency Council and La Cooperativa de Campesina de California).</p> <p>Any incidental duplication that may have occurred was more than offset by ACCES's unique contributions to this proceeding. Thus, no reduction in compensation due to duplication is warranted given the standard adopted by the Commission in D.03-03-031.</p>		Verified

D. Additional Comments on Part II:

#	Claimant	CPUC	Comment
9	X	This decision accepts all of ACCES's claimed substantial contributions	<p>Partial Contribution</p> <p>The Commission has interpreted the Public Utilities Code Section 1802 definition, in conjunction with Section 1801.3, so as to effectuate the legislature's intent to encourage effective and efficient intervenor participation. The statutory provision of "in whole or in part," as interpreted by multiple Commission decisions on intervenor compensation requests, has established as a general proposition that when a party makes a substantial contribution in a multi-issue proceeding, it is entitled to compensation for time and expenses even if it does not prevail on some of the issues. See, for example, D.98-04-028 (awarding TURN full compensation in CTC proceeding, even though TURN did not prevail on all issues); D.98-08-016, pp. 6, 12 (awarding TURN full compensation in SoCalGas PBR proceeding); D.00-02-008, at 4-7, 10 (awarding TURN full compensation even though TURN unsuccessfully opposed settlement).</p> <p>Even though the Commission did not adopt all of ACCES's recommendations our participation helped to create a record which allowed the Commission to produce a thoughtful, well-reasoned decision which, while implementing immediate program improvements, supports the gathering of further information through Working Groups for future program modifications and improvements. Thus, our participation and input constitutes a substantial contribution to the record of this proceeding and its final decision.</p>

PART III: REASONABLENESS OF REQUESTED COMPENSATION**A. General Claim of Reasonableness (§§ 1801 & 1806):**

a. Explanation by claimant of how the cost of its participation bore a reasonable relationship with benefits realized through participation.	CPUC Verified
This proceeding is not yet completed, with many important issues deferred to a next phase where further information is gathered and analyzed by Working Groups, the IOUs, and a MultiFamily Study consultant. Thus, we are unable at this time to quantify the benefits of our substantial contribution in this proceeding. However, we anticipate that the program, which will expend \$1.1 billion over the next three years, will ultimately be able to provide more benefits to low income ratepayers as program improvements, assisted by our contributions, are made.	Verified

<p>b. Reasonableness of Hours Claimed.</p> <p>The hours claimed by ACCES should be seen in the context of a proceeding which, from the initial filing of IOU applications to a Final Decision, covered 14 months. This consolidated proceeding included the applications of four IOUs, review and response to numerous parties' Protests and Comments on the original applications, Prehearing Conference Statements for two Prehearing Conferences, eight workshops (including two in which ACCES was an active presenter), responses to detailed questions propounded by the ALJ, preparation of our own Testimony which included a detailed Multifamily Pilot Proposal, the preparation of our own, and review of other parties', Reply Testimony, Opening and Reply Comments on the PD and an All Party Meeting.</p> <p>The duration and complexity of this proceeding could not be anticipated and explains the difference the estimate contained in ACCES's 9/6/2011 NOI and this claim.</p>	Verified
<p>c. Allocation of Hours by Issue</p> <p>A. History: Equity program evolves into a Resource program -</p> <p>B. Cost Effectiveness Methodology (including Impact Evaluation)</p> <p>C. Workforce Education and Training (including California Workforce Needs Assessment Report, bidding)</p> <p>D. Program Design and Delivery (including ORA "Tangible Bill Savers" proposal, and Tablet proposal)</p> <p>E. Integrated Demand Side Management and Energy Education</p> <p>F. Measures (New, Retained, Add Back, Retired, 3 Measure Minimum)</p> <p>G. High Efficiency Forced Air Unit Pilot</p> <p>H. SCG Meter Readers as ESAP Outreach and Assessment workers</p> <p>I. Low Income Solar</p> <p>J. Multifamily issues (including Pilot Project, demographics and penetration, expedited enrollment, MF assisted housing)</p> <p>K. General/Multiple Issues</p>	Verified.

B. Specific Claim:

Claimed						CPUC Award			
ATTORNEY, EXPERT AND ADVOCATE FEES ²									
Item	Year	Hours	Rate	Basis for Rate	Total \$	Year	Hours	Rate	Total\$
James Hodges Expert/ Advocate	2011	205.5	\$380	Claim Attachment 2	78,090	2011	201	\$300	60,300
James Hodges Expert/ Advocate	2012	117	\$380	Claim Attachment 2	44,460	2011	117	\$320	37,440
	Subtotal:				\$122,550	Subtotal:			\$97,740
INTERVENOR COMPENSATION CLAIM PREPARATION **									
Item	Year	Hours	Rate	Basis for Rate	Total \$	Year	Hours	Rate	Total \$
James Hodges Expert/ Advocate	2012	50	\$190	Claim Attachment 2 (1/2 full rate)	9,500	2012	10	\$160	1,600
	Subtotal:				9,500	Subtotal:			\$1,600
COSTS									
#	Item	Detail			Amount				Amount
Subtotal:					0	Subtotal:			0
TOTAL REQUEST :					\$132,050	TOTAL AWARD :			\$99,340
<p>* We remind all intervenors that Commission staff may audit their records related to the award and that intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. Claimant’s records should identify specific issues for which it requested compensation, the actual time spent by each employee or consultant, the hourly rates and fees paid to consultants, and any other costs for which compensation was claimed. The records pertaining to an award shall be retained for at least three years from the date of the final decision making the award.</p> <p>** Reasonable claim preparation time typically compensated at ½ of preparer’s normal hourly rate (the same applies to the travel time).</p>									

² For 2011, ACCES claimed 206 hours in the body of its request for intervenor compensation, but its attached spreadsheet showed 205.5 hours of actual work. ACCES requested compensation of \$78,090 for work performed by Hodges in 2011, which is consistent with 205.5 hours at the requested hourly rate of \$380.

C. CPUC Disallowances, Adjustments, and Comments:

#	Reason
Hourly Rate for James Hodges	<p>In its NOI, ACCES anticipated that it would request an hourly rate of \$300 for James Hodges. In its claim, however, ACCES requests an hourly rate of \$380 for work performed by Hodges in 2011 and 2012. The Commission has not set an hourly rate for Hodges previously.</p> <p>ACCES believes Hodges' qualifications are comparable to those of John Gamboa, the former Executive Director of the Greenlining Institute for whom the Commission awarded an hourly rate of \$380 in 2007 pursuant to D.07-11-013.</p> <p>ACCES states that Hodges has 32 years of experience representing the interests of low-income households in regulatory and legislative proceedings on a state and federal level, including before this Commission. From 1982 to 1985, Hodges served as Deputy Director of the Commission's low-income weatherization program operated by the California/Nevada Community Action Association (Cal/Neva, the statewide association of Community Action Agencies which provide services to low-income households) under contract with Pacific Gas and Electric Company. In 1985, Hodges served as Interim Director of Cal/Neva and the Director of its "Low Income Energy Education Project" under contract with the California Department of Economic Opportunity" (now named the state Department of Community Services and Development). In 1986, Hodges left Cal/Neva to begin consulting and advising clients on legislative matters and representing clients in CPUC proceedings. As is mentioned in his testimony in this proceeding, Hodges helped shape legislation which has guided the Commission's low-income programs (PU Code 2790). Hodges continues to represent clients before the Commission. Additionally, for three years (2003-2005) Hodges served as the Executive Director for ACCES, a statewide association of non-profit organizations that provide services to low-income households.</p> <p>The relevant standard for determining if the requested hourly rate of \$380 is reasonable is set forth in Pub. Util. Code § 1806, which states as follows:</p> <p style="padding-left: 40px;">The computation of compensation awarded pursuant to Section 1804 shall take into consideration the market rates paid to persons of comparable training and experience who offer similar services. The compensation awarded may not, in any case, exceed the comparable market rate for services paid by the commission or the public utility, whichever is greater, to persons of comparable training and experience who are offering similar services.</p> <p>The comparison to Gamboa is not dispositive, in our opinion. Two individuals with outwardly similar resumes may be paid significantly different amounts for their work due to a variety of reasons, such as the quality of their work, problem solving skills, teamwork, and other factors. The best support for the requested hourly rate of \$380 would be evidence that Hodges' is paid an hourly rate of \$380 by third parties. However, ACCES did not provide any information that shows Hodges has ever been paid an hourly rate of \$380. For example, ACCES states that Hodges has been representing clients before the Commission since 1986, but ACCES did not provide any information that shows the hourly rate Hodges charges his clients for this work. Similarly, Hodges served as the executive director of ACCES during 2003-2005, but ACCES did not disclose the compensation that Hodges received during his tenure as executive director.</p> <p>The requested hourly rate of \$380 must also be viewed in the context of Pub. Util. Code § 1806, which limits compensation to the market rate for services paid by the Commission or public utilities. The Commission pays for services primarily in the form of salaries and benefits paid to its employees. ACCES's requested hourly rate of \$380 vastly exceeds the salary and benefits paid to even the highest earning Commission employees.</p>

#	Reason
	<p>ACCES did not provide information regarding the market rates paid by public utilities. Based on our experience with general rate cases, ACCES's requested hourly rate of \$380 far exceeds the compensation received by the vast majority of utility employees, including employees with significant expertise and experience.</p> <p>For the preceding reasons, we conclude that the requested hourly rate of \$380 work performed by Hodges in 2011 and 2012 lacks adequate support and exceeds the comparable market rate for his services. We believe the hourly rate of \$300 that was listed for Hodges in ACCES's NOI is commensurate with a reasonable market rate for Hodges. Accordingly, we will approve an hourly rate of \$300 for Hodges in 2011. For 2012, we will increase the approved hourly rate by 7.2%, rounded to the nearest \$5 increment, to reflect a step increase and COLA adjustment consistent with Resolution ALJ-281, dated September 13, 2012. The approved hourly rate for Hodges in 2012 is \$320. The hourly rates approved by this decision are consistent with the hourly rates for experts with 13+ years of experience set forth in Resolution ALJ-267, dated March 24, 2011, and Resolution ALJ-281, dated September 13, 2012.</p>
Hourly Rate to Prepare NOI in 2011	ACCES claims 3 hours in 2011 to prepare its NOI at Hodges's full professional hourly rate. The Commission typically limits the hourly rate to prepare an NOI to half of the approved professional hourly rate. To achieve this result, half of the claimed hours to prepare the NOI are disallowed. The disallowance equates to 1.5 hours for Hodges in 2011.
Claimed Hours to Prepare Request for Compensation in 2012	ACCES claims 50 hours in 2012 to prepare its request for intervenor compensation at half of Hodges' professional hourly rate. The Commission typically limits the allowed time to prepare a request for intervenor compensation to no more than 10 hours. Accordingly, 40 hours of Hodges's time to prepare ACCES's request for compensation are disallowed.

PART IV: OPPOSITIONS AND COMMENTS

A. Opposition: Did any party oppose the claim?	No
B. Comment Period: Was the 30-day comment period waived (<i>see</i> Rule 14.6(c)(6))?	Yes

FINDINGS OF FACT

1. ACCES has made a substantial contribution to D.12-08-044.
2. The requested hourly rates for ACCES representatives, as adjusted herein, are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The total reasonable compensation is \$99,340.

CONCLUSION OF LAW

1. The claim, with any adjustment set forth above, satisfies all requirements of Pub. Util. Code §§ 1801-1812.

ORDER

1. The Association of California Community and Energy Services is awarded \$99,340.
2. Within 30 days of the effective date of this decision, Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, and Southern California Gas Company shall each pay its respective share of the award based on its California-jurisdictional gas and electric revenues for the 2012 calendar year. Payment of the award shall include compound interest at the rate earned on prime, three-month non-financial commercial paper as reported in Federal Reserve Statistical Release H.15, beginning January 19, 2013, the 75th day after the filing of Claimant's request, and continuing until full payment is made. Interest shall be calculated in accordance with the guidelines set forth in Resolution ALJ-294, dated September 9, 2013.
3. The comment period for today's decision is waived.
4. This proceeding remains open to address other related matters.

This order is effective today.

Dated _____, at San Francisco, California.

APPENDIX**Compensation Decision Summary Information**

Compensation Decision:		Modifies Decision? No
Contribution Decision(s):	D1208044	
Proceeding(s):	A1105017, A1105018, A1105019, and A1105020	
Author:	ALJ Kimberly H. Kim	
Payer(s):	Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, and Southern California Gas Company	

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Multiplier	Reason Change/Disallowance
Association of California Community and Energy Services (ACCES_	11/5/12	\$132,050	\$99,340	No	<ul style="list-style-type: none"> • Approved a lower hourly rate than requested in 2011 and 2012. • Reduced the requested hourly rate for preparing the NOI in 2011 to half of the professional hourly rate. • Disallowed excessive hours to prepare the request for intervenor compensation in 2012.

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
James	Hodges	Expert/Advocate	ACCES	\$380	2011	\$300
James	Hodges	Expert/Advocate	ACCES	\$380	2012	\$320

(END OF APPENDIX)